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United States Department of Justice United States Attorney's Office District of Minnesota

News Release

FOR IMMEDIATE RELEASE Tuesday, December 15, 2009 WWW.USDOJ.GOV/USAO/MN

Plymouth man pleads guilty to defrauding Medicaid out of \$74,000

The owner of a home health care company pleaded guilty today in federal court to obtaining \$74,000 from Medicaid fraudulently by causing submission of reimbursement claims for personal care assistant ("PCA") services that, in truth, were not rendered. In connection to this crime, B. Bennie Perkins, age 58, of Plymouth, pleaded guilty to one count of conspiracy to commit health care fraud. He entered his plea in St. Paul before United States District Court Judge Paul A. Magnuson. Perkins was charged on November 30, 2009.

In his plea agreement, Perkins, the owner and operator of Healthcare Options, admitted orchestrating the scheme from January 6, 2007, to February 28, 2008. The scheme involved submitting false claims to the Minnesota Department of Human Services, which administers the Medicaid program in Minnesota. Medicaid provides medical care and services to low-income people who meet certain eligibility requirements. PCA services are provided to Medicaid recipients who require assistance with personal care in their residence. Those services usually are provided by a PCA employed by a home health care provider, such as Healthcare Options.

Perkins faces a potential maximum penalty of five years in prison for his crime. Judge Magnuson will determine his sentence at a future date. This case is the result of an investigation by the U.S. Department of Health and Human Services-Office of Inspector General, the Social Security Administration, and the Medicaid Fraud Control Unit at the Minnesota Attorney General's Office. It is being prosecuted by Assistant U.S. Attorney David M. Genrich.

According to the Justice Department, health care fraud investigations have been growing steadily, and on May 20, 2009, the Department announced the formation of a senior-level task force to tackle health care fraud throughout the country. The Health Care Fraud Prevention and Enforcement Action Team ("HEAT"), represented by the departments of Justice and Health and Human Services, examines ways to share real-time intelligence data on health care fraud patterns and practices more efficiently. It also disseminates critical information about health care services

as well as pharmaceuticals and medical devices. In 2008, the Justice Department filed criminal charges in 502 health care fraud cases involving 797 defendants.